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ABSTRACT

Although women are consistently underpaid relative to men working in comparable jobs, women generally do not consider themselves unfairly paid. Recent work on social comparison of pay outcomes has shown that people prefer to compare themselves with others who are similar to themselves on dimensions such as job and sex. Equity theory would suggest that, to the extent that women compare their pay with that of women or same-job others, they should feel relatively satisfied with their pay. To examine this issue, 21 male and 28 female college students were assigned to work on one of two identical jobs and were paid a fixed amount for their work. Pay standards were manipulated so that in one job comparison men were paid higher than women while in the other job comparison women were paid more than men. Subjects saw the wage paid to a person they had chosen as a comparison other and then indicated how satisfied they were with their own pay. The results showed that both men and women preferred to make same-job/same-sex pay comparisons. Subjects who had acquired comparison information indicating that others had been paid a lower wage felt entitled to less money and were more satisfied with their pay than were subjects who had learned that others received a higher wage. Women are likely to remain blind to their inequitable wages as long as they continue to make sex-based wage comparisons. (NB)

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Social Comparison of Wages:

Impact on Satisfaction and Fairness Judgments

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Women are consistently underpaid relative to men working in comparable jobs (Trieman & Hartmann, 1981). Despite this objective inequity, however, women generally do not consider themselves unfairly paid, a phenomenon which Crosby (1982) has called "the paradox of the contented female worker". The current study explores one factor that may produce this lower sense of personal entitlement among women. Specifically, it is hypothesized that as a result of similarity biases in social comparison processes, men and women derive different information or standards against which they evaluate their pay.

Equity theory proposes that an individual's expectations, or sense of fairness, is derived from a comparison of his or her own input/outcome ratio with the input/outcome ratio of a specific comparison other (Adams, 1965). The specific nature of this comparison other, however, has not been clearly explicated by the theory. It has been suggested that in comparing abilities, we choose others who are similar on attributes thought to be related to performance. Although some work is supportive of this "related attributes hypothesis" (e.g. Goethals & Darley, 1977 ; Wheeler, Koestner, & Driver, 1982), other investigations of social comparison of abilities have posited a drive to maximize similarity on as many dimensions as possible in choosing a comparison other (Feldman & Ruble, 1981). Furthermore, sex appears to be a particularly salient attribute in social comparison of abilities (Zanna, Goethals, & Hill, 1975; Suls, Gaes, & Gastorf, 1979), regardless of its relationship to the ability being evaluated.

Recent work on the social comparison of pay outcomes has also shown that people prefer to compare themselves with others who are similar to themselves on dimensions such as job (Testa & Major, 1984;

Major & Forcey, 1985) and sex (Crosby, 1982; Major & Forcey, 1985). These similarity biases in comparison preferences would seem to have important consequences in the evaluation of pay. Since women are typically paid less than men for comparable work (Trieman & Hartmann, 1981), women in the workforce are likely to derive a lower wage standard than men by comparing themselves with other women. In addition, since the majority of jobs are sex segregated, with male-dominated jobs paying more than female-dominated jobs (Trieman & Hartmann, 1981), comparing wages with others performing the same job is also likely to result in women deriving a lower pay comparison standard than men. It follows from Equity Theory that, to the extent that women compare their pay predominately with women and/or same job others, they should feel relatively satisfied with their pay. That is, despite their underpayment relative to men, their pay is comparable to that of similarly underpaid women.

In this study men and women were assigned randomly to work on one of two jobs (which were in fact identical) and were paid a fixed amount for their work. They were then allowed to choose to see the pay received by one of several possible comparison others. Pay standards for the two jobs, described as comparable in difficulty, were manipulated such that in one job comparison men were paid a higher wage than women assigned to that job, and in the other job comparison women were paid a higher wage than men. Subjects were not told of these wage discrepancies, however. After subjects had seen the wage paid to the person who they had chosen as a comparison other, they indicate how satisfied they were with their own pay and how much money they felt was a fair wage for their own work.

It was hypothesized that: 1) men and women would prefer to compare their pay with the pay of similar others, that is, those of the same sex and those assigned to the same job; 2) As a result of these similarity biases and the differing pay to comparison men and women within jobs, men and women would acquire different wage standards as a function of their job assignment. Consequently, 3) subjects' judgments of fair pay and pay satisfaction would vary according to their sex and job assignment. We expected that those assigned to a job in which their own sex was underpaid would a) select a same-sex/same-job comparison other and hence b) assume that all workers were paid a relatively low wage, c) feel a lower amount was fair pay for their work, and d) be more satisfied with their payment than would those assigned to a job in which their own sex was overpaid.

Method

Twenty-eight females and 21 males participated in the study in partial fulfillment of a course requirement. Subjects were run in mixed-sex groups of 2-8 people. Upon arrival, subjects were told that they would be randomly assigned to perform one of two jobs, the "Predictive Assessment Job" and the "Decision Making Job", were described as being of comparable difficulty.

The assistant then gave each subject a packet containing their job assignment and a description of that job, a pre-task questionnaire, which assessed expectations for performance, and the task itself. Regardless of their job assignment, all subjects were given an identical task which required subjects to make a series of judgments concerning a student's success in college based on

information about high school grades, S.A.T.s and extracurricular activities. The task was chosen because it is impossible for subjects to know how well they are doing on it and it was previously found to be perceived as sex neutral (Kahn, Nelson, & Gaeddert, 1980).

After subjects had read their job descriptions and completed the pre-task questionnaire, they were given 15 minutes to do as much work as they could on the 80 item task. After 15 minutes, the experimenter collected the tasks and left to score them and to determine how much each person should be paid. While the tasks were being scored, the assistant gave subjects a post-task questionnaire to complete which assessed how well subjects thought they had done and their attributions for performance.

Upon returning, the experimenter explained that although we are not allowed to pay Introductory Psychology subjects, we had paid subjects in the past, and were using the same standards in determining how much current participants should be paid. All subjects were then given an envelope containing slips of paper on which were written a wage ($2.50) and an ambiguous performance score (114) which were identical for all subjects. Subjects were then told that they would have the opportunity to see what another subject had been paid in the past for work on one of the same two jobs. They were given a Wage Order sheet that listed the subject number of 8 previous (bogus) subjects according to their job assignment and sex, and were asked to rank their first three preferences for this comparison information.

Subjects were then given the wage information that corresponded to the sex and job assignment of the comparison other that they had chosen. Subjects who chose a male comparison other who had performed the Predictive Assessment Job or a female who had performed the

Decision Making Job saw that that person had presumably been paid $1.25, whereas those who chose a male assigned to Decision Making or a female assigned to Predictive Assessment saw that that person had presumably been paid $3.75. After subjects had viewed this comparison wage, they completed a final questionnaire which assessed: 1) perceived wage standards, i.e. subjects' estimates of how much money various groups of others (e.g. men, women, people in general) had been paid; 2) fair pay estimates, i.e. how much money subjects believed was a fair wage for their work on the job they had just completed and 3) pay satisfaction, i.e. subjects' satisfaction with the wage they had received (2.50).

Results

Social Comparison Preferences. 91% of subjects chose to compare their pay with the pay of a same sex/same job other. A Chi-square analysis performed on subjects first comparison choice revealed that this was significantly greater than chance, $\chi^2(1) = 136.29$, $p < .001$. Thus, consistent with our first hypothesis, subjects preferred to maximize similarity on their first comparison choice.

Judgments of Pay Fairness and Satisfaction. To determine whether comparison information had a significant impact on subjects' judgments, 2 (sex) x 2 (job assignment) ANOVAs were performed on ratings of perceived wage standards, pay fairness and satisfaction. These ANOVAs revealed 2-way interactions (See Tables 1 and 2) which resulted from biased acquisition of same-sex/same-job comparison information. Subjects assigned to a job in which their own sex was paid less than the other sex: a) thought that others had been paid less, $F(1,45) = 39.89$, $p < .001$, b) thought that a lower wage was fair pay

for their work, $F(1,44)=2.99$, $p<.03$, and c) were significantly more satisfied with their pay, $F(1,44)=14.47$, $p<.001$ than were subjects assigned to the job in which their own sex was paid more than the other sex.

No main effects for sex were observed for pre-task performance expectations, post-task performance evaluations or attributions for performance, perceived wage standards, or judgments of fair pay or satisfaction.

Discussion

As predicted, men and women both showed strong preferences for acquiring same-job/same-sex pay comparisons. The information gained through these selective comparisons had a significant impact on subjects' estimates of what the average wage standard was and on their judgments of of pay fairness and feelings of satisfaction. Those who had acquired comparison information indicating that others had been paid a low wage felt entitled to less money and were more satisfied with their payment than were those who had acquired comparison information indicating that others had been paid a high wage.

This study suggests that the paradox of the contented female worker is not so paradoxical when one considers the joint impact of similarity biases in social comparisons and sex-based wage discrepancies in the labor market. Women, as well as men, are likely to see the wages of same sex and same job others as the most relevant personal wage comparisons. For women, however, this results in comparison with a lower wage standard. Thus, despite their underpayment relative to men, women do not consider themselves unfairly paid because, consistent with equity theory, women find

themselves fairly paid in relation to those with whom they compare (primarily other underpaid women). Crosby (1982) found that the small percentage of women in her field study who compared their wages with men did indeed feel underpaid and dissatisfied. Women, and members of similarly underpaid minority groups, are likely to remain blind to their inequitable wages as long as they continue to make sex-based wage comparisons. Three possible remedies are offered. First, in order for underpaid groups to realize that they are underpaid, wage information must be made more accessible. Recent research suggests that women given access to the pay information of women and men will determine what is a fair wage by averaging the pay of both sexes (Major, McFarlin & Gagnon, 1984). Second, women and underpaid minorities must be encouraged to regard opposite-sex others and others in different but comparable jobs as relevant comparison others. Thirdly, and of course, ideally, the responsibility rests on society to work toward eliminating sex-based pay inequities.

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Table 1

Estimates of Fair Payment for Work

	Female High Job	Male High Job
Men	$2.04a	$2.56a
Women	$2.81b	$2.31a

Means with different subscripts differ at the .05 level or greater

Table 2

Satisfaction with Pay

	Female High Job	Male High Job
Men	4.83a	3.38b
Women	3.40b	5.23a

Higher numbers indicate greater satisfaction

Means with different subscripts differ at the .05 level or greater